

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE MIDDLE DISTRICT OF TENNESSEE
COOKEVILLE DIVISION**

IN RE:)	
)	
TRI STAR ALUMINUM CO, L.P.,)	CASE NO. 2:09-08974
)	CHAPTER 11
)	
DEBTOR.)	JUDGE LUNDIN
)	

**EXPEDITED MOTION FOR (I) ENTRY OF AN ORDER (A) ESTABLISHING
BIDDING AND AUCTION PROCEDURES RELATED TO THE SALE OF
SUBSTANTIALLY ALL ASSETS; (B) SCHEDULING A FINAL SALE HEARING
APPROVING THE SALE OF THE ASSETS; (C) APPROVING FORM AND MANNER
OF NOTICE OF ALL PROCEDURES, PROTECTIONS, AND AGREEMENTS; AND (D)
GRANTING CERTAIN RELATED RELIEF; AND (II) ENTRY OF AN ORDER
APPROVING THE SALE OF THE ASSETS OF TRI STAR ALUMINUM CO., L.P.
FREE AND CLEAR OF ALL LIENS, CLAIMS, ENCUMBRANCES AND INTERESTS**

Michael E. Collins, the Appointed Trustee (the "Trustee") of Tri Star Aluminum Co, L.P. ("Tri Star" or "Debtor") hereby moves on an expedited basis for (the "Motion") this Court (i) to enter an order (the "Bidding Procedures Order") setting a preliminary hearing to approve bidding and auction procedures for the sale of substantially all assets of Tri Star, and (ii) to schedule a final hearing and approve the entry of a final sale order approving the sale of the assets of Tri Star. In support of this Motion, the Trustee respectfully asserts as follows:

LBR 9075-1 Expedited Relief Requested

1. The Trustee respectfully requests that the Preliminary Hearing on this Motion, in the event of any objections to this Motion, be held on July 12, 2011, at 9:00 AM in Courtroom 2 in the Customs House, 701 Broadway, Nashville, TN, 37203, and that the final sale hearing for approval of the sale of substantially all assets of Tri Star be held on August 30, 2011.

2. Tri Star is presently not operating. Due to lack of resources, there is significant risk that the assets of Tri Star will deteriorate or be subject to vandalism or other harm if a disposition of the assets is not completed as soon as possible. Additionally, there are raw materials and equipment on site that need to be liquidated as soon as possible.

3. Notice of this Motion has been given today, June 28, 2011, to all parties who consented to receive notice through the Court's ECF system, to the U.S. Trustee, the Unsecured Creditors Committee, Liberty State Bank, and Wilson County Bank by e-mail, and to all parties on the attached mailing matrix via first-class U.S. mail, postage pre-paid. The Trustee has discussed the sale motion with the U.S. Trustee's office, counsel for the Unsecured Creditors Committee, counsel for Liberty State Bank and counsel for Wilson County Bank and is unaware of any objections.

4. The Trustee requests that the preliminary hearing on this Motion, upon any objections, be held on July 12, 2011, in Courtroom 2, Customs House, 701 Broadway, Nashville, TN 37203, that the Court approve the bidding and auction procedures and dates as set forth herein, and that the final sale hearing be held on August 30, 2011.

JURISDICTION AND VENUE

1. This Court has jurisdiction over this Motion pursuant to 28 U.S.C. § 1334. This matter is a core proceeding pursuant to 28 U.S.C. § 157. Venue for the Motion is proper in this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

BACKGROUND

2. The Debtor filed for bankruptcy protection on August 7, 2009.

3. Michael E. Collins was appointed as Chapter 11 Trustee in this case pursuant to an Order entered on December 21, 2009.

4. After significant efforts to bring Tri Star to profitability and identify a buyer to acquire the company as a going concern, the Trustee shuttered the company on or about May 15, 2011. Over the past year, the Trustee has had in depth discussions with five potential purchasers of Tri Star and has had discussions with numerous other potential suitors. Unfortunately, none of the discussions has led to the execution of a binding sale agreement.

5. The Trustee believes that an auction sale under the terms proposed has the likelihood of bringing all of the potential buyers to the table and leading to an approved sale in the most efficient and cost-effective manner.

RELIEF REQUESTED

I. Auction Sale and Bid Procedures

6. The Trustee has determined that the auction process set forth in this motion will maximize the value of the assets.

7. The Trustee has proposed the following timeline for the auction sale of the assets of Tri Star (all times are Central Time Zone)¹

August 25, 2011 – Deadline for Bidders to Qualify

August 29, 2011 - Auction Sale Date

August 30, 2011 – Hearing to Approve Sale

8. The Trustee requests the Court to set a final Sale Hearing on August 30, 2011, but reserves the right to extend the sale process, including, but not limited to, continuing the applicable bid deadline and Auction date and requesting a continuance of the Sale Hearing. At

¹ The Trustee in the exercise of his business judgment, reserves his right to change these sale-related dates in order to achieve the maximum value for the Assets.

the Sale Hearing, pending the outcome of the Auction and as set forth in the Bidding Procedures, the Trustee intends to seek entry of one or more orders (each a "Sale Order"), approving the Sale of all of Tri Star's Assets free and clear of all liens, claims, and interests.

9. The auction sale will be for all real and personal property of Tri Star other than the following assets:

A. The Acquired Assets shall not include any and all avoidance causes of action set forth in sections 544, 547 and 548 of the Bankruptcy Code, which causes of action shall be retained by the bankruptcy estate.

B. The 96 acre parcel of land in Alexandria, Tennessee that is subject to a mortgage in favor of DeKalb Community Bank Office of Wilson Bank & Trust ("WBT"). The Successful Bidder shall have the option of purchasing that property for \$156,000, with the proceeds of the same to be paid to WBT in release of its mortgage on that property. In the event that the bidder does exercise the option on the 96 acres, WBT shall be granted relief from the automatic stay with respect to such property. WBT shall retain the right to file a claim for any deficiency.

10. In order to maximize the value of the Assets for the benefit of Tri Star's creditors, the Trustee seeks to implement a competitive bidding process that is designed to generate maximum recovery. Pursuant to the proposed Bidding Procedures as set forth below, the Trustee will sell the assets set forth in the Asset Purchase Agreement to any Qualified Bidder that makes the highest or otherwise best offer for the Assets.

11. The sale of the Acquired Assets shall be free and clear of all liens, claims, and interests, with such liens, claims, and interest attaching to the proceeds of the sale.

12. The Trustee proposes that competing bids for Assets be governed by the following:

Participation Requirements: Any person that wishes to participate in the Bidding Process (a "Potential Bidder") must become a "Qualified Bidder." As a prerequisite to becoming a Qualified Bidder, a Potential Bidder must deliver (unless previously delivered) to the Trustee, not later than July 22, 2011, the following:

i. A letter stating the intent to bid on all of the assets, other than those assets specifically carved out, of Tri Star on an "AS IS, WHERE IS" basis, including the Tri Star production facility, equipment, bag house, inventory, raw material, salt cake, and dust.

ii. Sufficient information, as may be requested by the Trustee or his agents, to allow the Trustee to determine that the bidder has the financial wherewithal to close a sale of the Assets on which the bidder intends to bid, including, but not limited to, a signed commitment for any debt or equity financing, a bank account statement showing the ability of a Potential Bidder to pay cash for the designated Assets, and current audited financial statements (or such other form of financial disclosure and credit-quality support or enhancement acceptable to the Trustee) of the Potential Bidder or those entities that will guarantee the obligations of the Potential Bidder.

A "Qualified Bidder" is a Potential Bidder that delivers the documents described in subparagraphs (i) - (ii) above, and that the Trustee determines is reasonably likely (based on financial information submitted by the Potential Bidder, the availability of financing, experience and other consideration deemed relevant by the Trustee), to submit a bona fide offer and be able to consummate a sale if selected as the Successful Bidder (defined below). Notwithstanding the foregoing, Liberty State Bank shall be deemed a Qualified Bidder without the necessity of compliance with subparagraphs (i) – (ii). Not later than three (3) business days after a Potential Bidder delivers all of the materials required by subparagraph (i) - (iii) above, the Trustee shall determine and shall notify the Potential Bidder, if such Potential Bidder is a Qualified Bidder. It is the obligation of the each Potential Bidder to supply the requisite information to the Trustee in accordance with the applicable deadlines and such that the Trustee has all required information at least three days prior to the Auction.

The Auction and Auction Procedures: The Trustee shall conduct an auction (the "Auction") with respect to the Assets for participation therein by all Qualified Bidders. The Auction shall be conducted at Manier & Herod, P.C. One Nashville Place, Suite 2200, 150 Fourth Avenue North, Nashville, TN 37219 (the "Auction Site") at 3:00 p.m. (Central Standard Time) on July 29, 2011 (the "Auction Date"), or such other place and time as the Trustee shall notify all Qualified

Bidders who have expressed their intent to participate in the Auction as set forth above. All Qualified Bidders are required to be present or have an agent with valid power of attorney present at the Auction.

Except as otherwise provided herein, based upon the terms of the bids received, the number of Qualified Bidders participating in the Auction, and such other information as the Trustee determines is relevant, the Trustee may conduct the Auction in any manner that he determines will achieve the maximum value for the Assets.

If Qualified Bidders bid at the Auction, then as soon as practicable after the conclusion of the Auction, the Trustee shall promptly (i) review each bid on the basis of the financial and contractual terms and the factors relevant to the sale process, including those factors affecting the speed and certainty of consummating the Sale and (ii) identify the highest or otherwise best offers for the Assets (to the extent any such bid is acceptable to the Trustee, each a "Successful Bid" and each bidder making such bid, a "Successful Bidder"). At the Sale Hearing, the Trustee may present any Successful Bids to the Court for approval. The Trustee reserves all rights not to submit any bid which is not acceptable to the Trustee for approval to the Court. Except as otherwise provided herein, the Trustee, in the exercise of his fiduciary duties, may adopt rules for bidding at the Auction that, in his business judgment, will better promote the goals of the bidding process or any order of the Court entered in connection herewith.

In order to ensure a timely conclusion to the Auction, the Trustee will consider topping bids in minimum increments of \$5,000. The Successful Bidder shall be required to provide a cash escrow deposit of \$50,000 immediately upon the conclusion of the sale, unless the Successful Bidder is Liberty State Bank, which shall not be required to make a deposit. In the event that a higher bidder fails to provide the deposit, the next highest bid will be deemed the Successful Bid. As a condition to bidding, each Bidder agrees to be bound by its respective highest bid, regardless of any topping bids.

13. The Closing of the sale shall occur no later than September 9, 2011.

14. Within two (2) days after the entry of the Bidding Procedures Order, or as soon thereafter as practicable, the Trustee (or his agents) shall serve the Motion and a copy of the Bidding Procedures Order, by electronic mail or facsimile, if available, or by first-class mail,

postage prepaid, upon (i) all entities known to have expressed an interest in a transaction with respect to any of the Assets, individually or as part of a package, during the past eighteen (18) months; (ii) all entities known to have asserted any lien, claim, interest or encumbrance in or upon any of the Assets; and (iii) the Secured Lenders.

15. Within three (3) days of the entry of the Bid Procedures Order, or as soon thereafter as practicable, the Trustee (or his agents) shall serve by first class mail, postage prepaid, a copy of the Bid Procedures Order upon all other known creditors of Tri Star.

16. Within three (3) days after the entry of the Bidding Procedures Order, or as soon thereafter as practicable, the Trustee shall send a press release to the American Metal Market magazine advising of the sale and the sale process.

17. As soon as possible after the conclusion of the auction the Trustee shall file, but not serve, a notice identifying any Successful Bidder.

18. The Trustee submits that, under the circumstances, no other or further notice is required, since the Trustee has already been in contact with the entities most likely to have an interest in acquiring Tri Star's assets and the potential sale of Tri Star's assets has already received publicity in the American Metal Market magazine, which is widely circulated to companies in the secondary aluminum industry and related industries.

NO PRIOR REQUEST

19. No previous request for the relief sought herein has been made to this or any other court.

WHEREFORE, the Trustee respectfully requests that the Court (i) enter an order setting a preliminary hearing to approve bidding and auction procedures for the sale of substantially all assets of Tri Star, (ii) schedule a final hearing and approve the entry of a final sale order

approving the sale of the assets of Tri Star, and (iii) grant any other relief as is necessary and appropriate.

Respectfully submitted,

MANIER & HEROD, P.C.

/s/Michael E. Collins

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Certificate of Service

I hereby certify that, on June 28, 2011, a true and correct copy of the foregoing Motion was served via the Court's ECF system on all parties registered to receive electronic notice and by U.S. Mail, postage prepaid, on the parties denoted on the attached mailing matrix.

/s/ Michael E. Collins

Michael E. Collins

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Lexington, KY 40505

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Indianapolis, IN 46266

Tri Star Aluminum Management Co.
P.O. Box 68
Alexandria, TN 37126

Morristown Shredder, Inc.
P.O. Box 3158
Morristown, TN 37815

HVF, LLC
Attn: Ed Shaw
1650 W. Jefferson Avenue
Trenton, MI 48183

CLS Recycling
P.O. Box 342
Jena, LA 71342

Liberty Scrap Metal – Plant 2
417 Angle Road
Fort Pierce, FL 34947

Shapiro Metal
9338 Olive Blvd., Suite 200
Saint Louis, MO 63132

Louis Padnos Iron & Metal Co.
P.O. Box 66973
Slot 303113
Chicago, IL 60666-0973

Bishop Engine & Automatic Inc.
P.O. Box 223585
Dallas, TX 75222

Alan's Industrial Waste Services, Inc.
P.O. Box 214
Ridgely, TN 38080

Middle Tennessee Natural Gas
P.O. Box 399
Woodbury, TN 37190-0399

Liberty Scrap Metal, Inc.
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West Palm Beach, FL 33407

Jack Gray Transport Services
135 S. LaSalle 2407
Chicago, IL 60674-2407

Middle Tennessee Electric
P.O. Box 220
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ACM Specialized Materials
977 Amesbury Road
Haverhill, MA 01830

Main Metal Recycling
P.O. Box 2348
Jacksonville, FL 32203-2348

Columbus Scrap Material, Inc.
P.O. Box 8670
Columbus, MS 39705

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